

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

PLUG BACK ☐

b. TYPE OF WELL

OIL  
WELL ☒

GAS  
WELL ☐

OTHER ☐

SINGLE  
ZONE ☒

MULTIPLE  
ZONE ☐

2. NAME OF OPERATOR

WESGRA CORPORATION

3. ADDRESS OF OPERATOR

P.O. Box 310367 MEXICAN HAT, UT. 84531 (801)-683-2298

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)\*

At surface

271' F/SL

2020' F/WL SE./SW. Sec. 32 T. 41S. R. 19E.

At proposed prod. zone

83

GOOSENECKS

S.L.M.

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*

1 1/4 MILES NORTH OF MEXICAN HAT, UTAH

15. DISTANCE FROM PROPOSED\*

LOCATION TO NEAREST  
PROPERTY OR LEASE LINE, FT.  
(Also to nearest drlg. unit line, if any)

271'

16. NO. OF ACRES IN LEASE

239

17. NO. OF ACRES ASSIGNED  
TO THIS WELL

2 1/2

18. DISTANCE FROM PROPOSED LOCATION\*  
TO NEAREST WELL, DRILLING, COMPLETED,  
OR APPLIED FOR, ON THIS LEASE, FT.

19. PROPOSED DEPTH

900'

20. ROTARY OR CABLE TOOLS

ROTARY

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

4330' ESTIMATED

22. APPROX. DATE WORK WILL START\*

AS SOON AS APPROVED

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
10 3/4"	8 5/8"	24 lb.	AS NEEDED	AS REQUIRED
7 7/8"	5 1/2"	17 lb.	415'	

1,2,4,5,8,9.

3. SURFACE FORMATION

SUPI

6. ESTIMATED DEPTH OF FIRST FORMATION

7. ESTIMATED DEPTH OF WATER, OIL OR GAS

10. PRESSURE EQUIPMENT

NOT REQUIRED

11. CIRCULATING MEDIUM

AIR & FOAM

12. TESTING, LOGGING

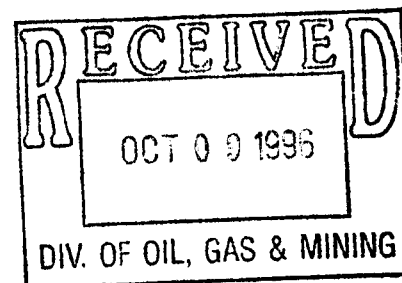
5' SAMPLES ONLY

13. ABNORMAL PRESSURES OR TEMP.

NONE EXPECTED

14. ESTIMATED STARTING TIME

WITHIN ONE WEEK AFTER APPROVAL



IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

*John H. Howell*

TITLE

PRESIDENT

DATE

10/04/96

(This space for Federal or State office use)

PERMIT NO.

43-037-31783

APPROVAL DATE

APPROVED BY

*J. P. Matthews*

TITLE

*Philum Engineer*

DATE

11/22/96

CONDITIONS OF APPROVAL, IF ANY

\*See Instructions On Reverse Side

Bureau of Land Management  
Moab District  
Application for Permit to Drill  
On-Site Inspection Checklist

Company WESGRA CORPORATION Well No. HAT ROCK # 96-17  
Location: Sec. 32, T. 41 S., R. 12 E., Lease No. UTU -73898  
On-Site Inspection Date 09/26/96

All operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR § 3100), Onshore Oil and Gas Orders, the approved plan of operations and the conditions of approval. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

**A. DRILLING PROGRAM**

1.	<u>Surface Formation and Estimated Formation Tops:</u>														
	<table><tr><td>SURFACE</td><td>SUPI</td></tr><tr><td>GOODRIDGE</td><td>335'</td></tr><tr><td>SHAHER LS.</td><td>387'</td></tr><tr><td>MENDENHALL</td><td>465'</td></tr><tr><td>HERMOSA</td><td>584'</td></tr><tr><td>LITTLE LOOP</td><td>695'</td></tr><tr><td>GOOSENECKS</td><td>815'</td></tr></table>	SURFACE	SUPI	GOODRIDGE	335'	SHAHER LS.	387'	MENDENHALL	465'	HERMOSA	584'	LITTLE LOOP	695'	GOOSENECKS	815'
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HERMOSA	584'														
LITTLE LOOP	695'														
GOOSENECKS	815'														

2. Estimated Depth at Which Oil, Gas, Water or Other Mineral Bearing Zones are Expected to be Encountered

Depth/Formation  
Expected Oil Zones: LITTLE LOOP / GOOSENECKS 695' to 880'  
Expected Gas Zones: NONE EXPECTED  
Expected Water Zones: ON TOP OF SHAHER LIME IF ANY 385'  
Expected Mineral Zones: NONE EXPECTED

All fresh water and prospectively valuable minerals encountered during drilling will be recorded by depth and will be cased and cemented. When possible, water flow rates will be measured and samples will be taken and analyzed with the results being submitted to BLM. All oil and gas shows will be tested to determine commercial potential.

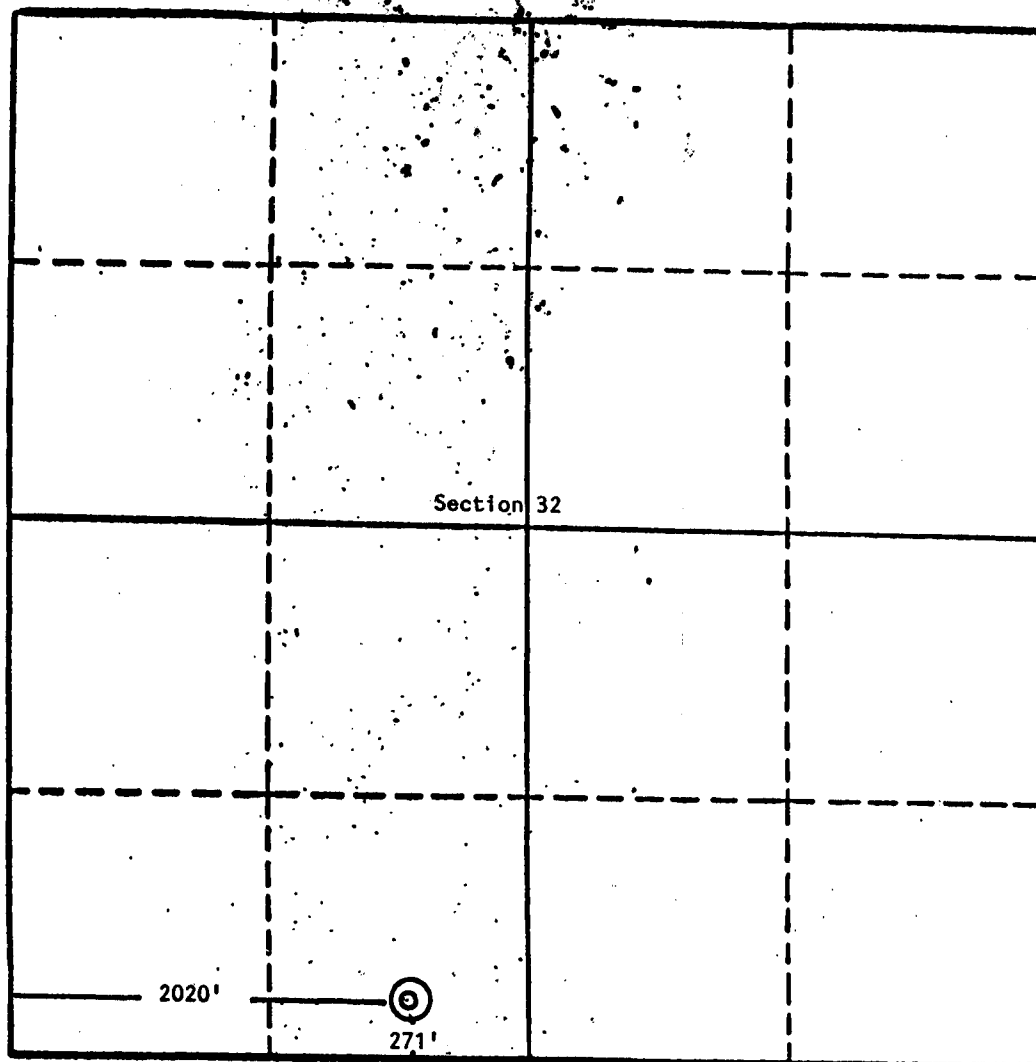
Company Wesgra Corporation

Well Name & No. Hat Rock #96-17

Location 271' F/SL 2020' F/WL

Sec. 32, T. 41 S., R. 19 E., S. L. M., County San Juan, Utah

Ground Elevation 4340' Estimated



Scale, 1 inch = 1,000 feet

Surveyed August 6, 1996

This is to certify that the above plat was prepared from field notes of actual surveys made by me or under my supervision and that the same are true and correct to the best of my knowledge and belief.

Seal:



Edgar L. Risenhoover  
Edgar L. Risenhoover,  
Registered Land Surveyor  
New Mexico Reg. No. 5979

Non-resident certification as  
authorized by Utah State Law  
58-22-21(b)

[illegible][illegible]

WORKSHEET  
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 10/09/96

API NO. ASSIGNED: 43-037-31783

WELL NAME: HAT ROCK #96-17  
OPERATOR: WESGRA CORPORATION (N1060)

PROPOSED LOCATION:

SESW 32 - T41S - R19E  
SURFACE: 0271-FSL-2020-FWL  
BOTTOM: 0271-FSL-2020-FWL  
SAN JUAN COUNTY  
MEXICAN HAT FIELD (410)

LEASE TYPE: FED  
LEASE NUMBER: UTU - 73898

PROPOSED PRODUCING FORMATION: PRDX

INSPECT LOCATION BY: / /

TECH REVIEW	Initials	Date
Engineering		
Geology		
Surface		

RECEIVED AND/OR REVIEWED:

☒ Plat  
☒ Bond: Federal ☒ State ☐ Fee ☐  
(Number \_\_\_\_\_)  
☐ Potash (Y/N)  
☐ Oil shale (Y/N)  
☒ Water permit  
(Number CITY OF MEXICAN HAT)  
☐ RDCC Review (Y/N)  
(Date: \_\_\_\_\_)

LOCATION AND SITING:

\_\_\_ R649-2-3. Unit: \_\_\_\_\_  
\_\_\_ R649-3-2. General.  
\_\_\_ R649-3-3. Exception.  
☒ Drilling Unit.  
Board Cause no: 156-3  
Date: 4/15/80

COMMENTS:

STIPULATIONS:

OPERATOR: WESGRA CORP  
FIELD: MEXICAN HAT  
SEC, TWP, RNG: 32, T41S, R19E  
COUNTY: SAN JUAN  
UAC: CAUSE 156-3

## MEXICAN HAT FIELD

156-3 UNRESTRICTED  
SPACING FOR GDRSD



PREPARED:  
DATE: 10-OCT-96

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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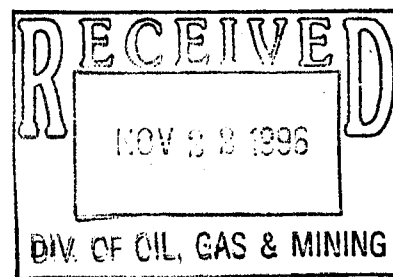
SIZE OF HOLE

SIZE OF CASING

WEIGHT PER FOOT

SETTING DEPTH

QUANTITY OF CEMENT



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24.

SIGNED

*Brad D. Palmer*

TITLE

PRESIDENT

DATE

10/04/96

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

/s/ Brad D. Palmer

Assistant Field Manager,

APPROVED BY

TITLE

Resource Management

DATE

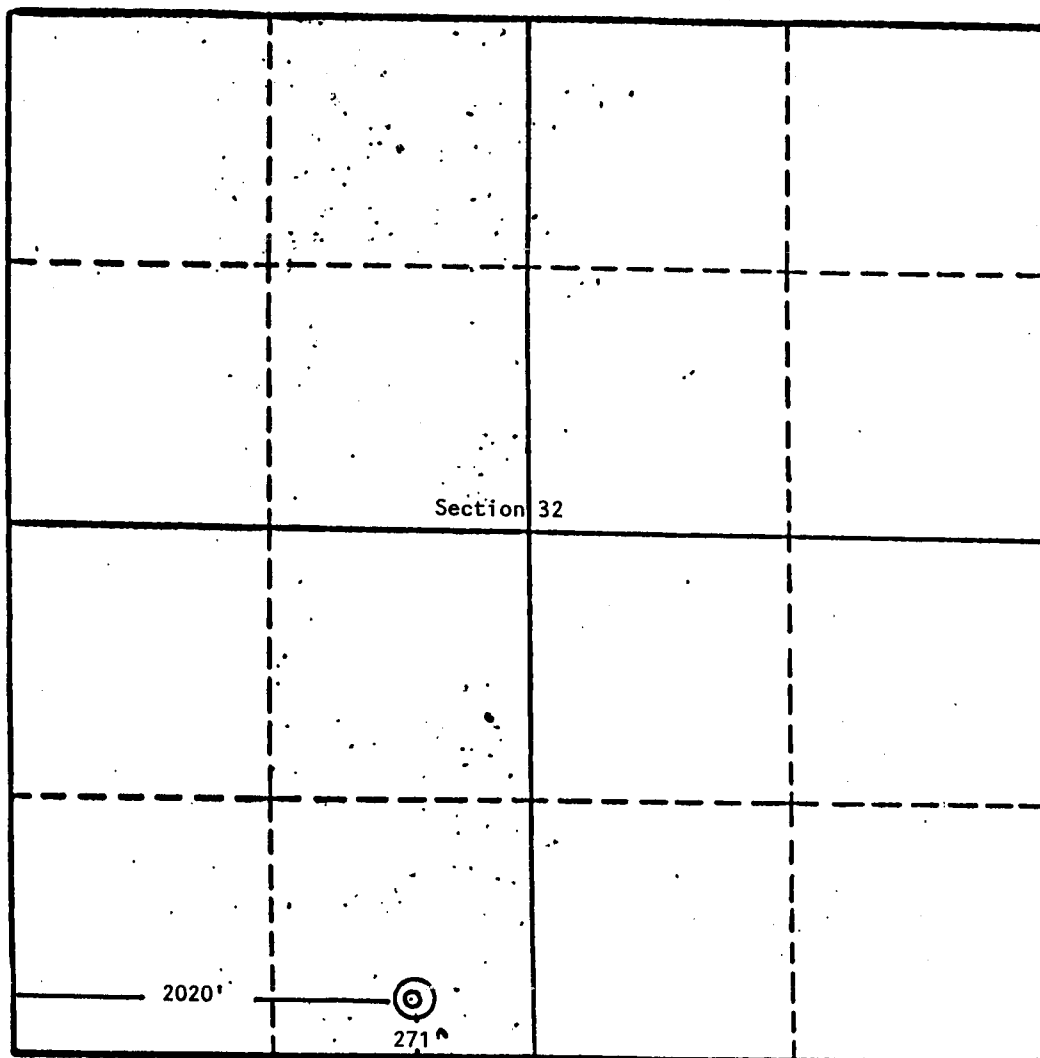
CONDITIONS OF APPROVAL, IF ANY:

CONDITIONS OF APPROVAL ATTACHED

NOV 1 1996  
DIV. OF OIL, GAS & MINING  
SUBJECT TO NTL 4-A  
1/1/80

\*See Instructions On Reverse Side

Company Wesgra Corporation  
Well Name & No. Hat Rock #96-17  
Location 271' F/SL 2020' F/WL  
Sec. 32, T. 41 S., R. 19 E., S. L. M., County San Juan, Utah  
Ground Elevation 4340' Estimated.



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Surveyed August 6, 1996

This is to certify that the above plat was prepared from field notes of actual surveys made by me or under my supervision and that the same are true and correct to the best of my knowledge and belief.

Seal:



*Edgar L. Risenhoover*

Edgar L. Risenhoover,  
Registered Land Surveyor  
New Mexico Reg. No. 5979

Non-resident certification as  
authorized by Utah State Law  
58-22-21(b)



Wesgra Corporation  
Well: Hat Rock #96-17  
Lease U-73898  
SESW, Section 32, T. 41 S., R. 19 E.  
San Juan County, Utah

#### CONDITIONS OF APPROVAL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be advised that Wesgra Corporation is considered to be the operator of the above well and is responsible under the terms and conditions of the lease for the operations conducted on the leased lands.

Bond coverage for this well is provided by UT-0934 (Principal - Wesgra Corporation) via surety consent as provided for in 43 CFR § 3104.2.

This office will hold the aforementioned operator and bond liable until the provisions of 43 CFR § 3106.7-2 continuing responsibility are met.

This permit will be valid for a period of one year from the date of approval. After permit termination, a new application must be filed for approval.

All lease operations will be conducted in full compliance with applicable regulations (43 CFR § 3100), Onshore Oil and Gas Orders, lease terms, notices to lessees, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions and the approved plan will be made available to field representatives to insure compliance.

A. DRILLING PROGRAM

1. The geologic log (sample strip) must be submitted with the Well Completion Report. Wesgra must ensure that the Well Completion Report is submitted and accurately documents the actual size and weight of the casing used.
2. Any fluid bearing zones or lost circulation zones encountered while drilling will be isolated behind casing and cement. At a minimum the casing must be set 25' into the Shafer Limestone and cement circulated back to surface.

The following stipulations have been developed to mitigate adverse environmental impacts which may result from the action permitted by the accompanying decision. The action permitted and its anticipated impacts are fully described in the environmental assessment or categorical exclusion referenced above.

1. If the well is a dry hole all of the area disturbed from drilling operations and well access will be rehabilitated by grading the area to blend in with the natural contour and broadcast seeded with the following seed mixture:

galleta	2 pounds per acre
Indian ricegrass	2 pounds per acre
shadescale	2 pounds per acre
globe mallow	2 pounds per acre
sand dropseed	1 pound per acre

2. In order to alleviate the negative effects of the open reserve pit to both T & E and migratory birds, one of the following methods will be employed:

- A. Entirely remove all hydrocarbons from the reserve pit and dispose of at an approved facility or place into stock tank for sales.

- B. Use of absorbent materials either immediately upon discharge into the reserve pit or before leaving the well location for the day.

- C. Effectively seal the reserve pit using netting material with a maximum opening of one inch.

3. If the well goes into production, all pipelines and electrical lines will be buried where soils are available. Where soils are not available flat rocks will be placed over portions of the pipeline to minimize visual impacts.

4. All permanent production facilities will be painted a neutral non reflective earth tone color to blend in with the surrounding landscape.

### C. REQUIRED APPROVALS, REPORTS AND NOTIFICATIONS

Required verbal notifications are summarized in Table 1, enclosed.

Building Location- Contact the BLM Petroleum Engineering Technician (PET) Monticello BLM Field Office at least 48 hours prior to commencing construction of location.

Spud- The spud date will be reported to BLM 24 hours prior to spudding. Written notification in the form of a Sundry Notice (Form 3160-5) will be submitted to the Moab BLM Field Office within 24 hours after spudding, regardless of whether spud was made with a dry hole digger or big rig.

Daily Drilling Reports- Daily drilling reports shall detail the progress and status of the well and shall be submitted to the Moab BLM Field Office on a weekly basis.

Monthly Reports of Operations- In accordance with Onshore Oil and Gas Order No. 1, this well shall be reported on Minerals Management Service (MMS) Form 3160, "Monthly Report of Operations," starting the month in which operations commence and continuing each month until the well is physically plugged and abandoned. This report will be filed directly with MMS.

Sundry Notices- There will be no deviation from the proposed drilling and/or workover program without prior approval. "Sundry Notices and Reports on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR § 3162.3-2. Safe drilling and operating practices must be observed.

Drilling Suspensions- Operations authorized by this permit shall not be suspended for more than 30 days without prior approval of the Moab BLM Field Office. All conditions of this approval shall be applicable during any operations conducted with a replacement rig.

Undesirable Events- Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be immediately reported to the BLM in accordance with requirements of NTL-3A.

Cultural Resources- If cultural resources are discovered during construction, work that might disturb the resources is to stop, and the BLM is to be notified.

First Production- Should the well be successfully completed for production, the Moab BLM Field Office will be notified when the well is placed in producing status. Such notification may be made by phone, but must be followed by a sundry notice or letter not later than five (5) business days following the date on which the well is placed into production.

A first production conference will be scheduled as soon as the productivity of the well is apparent. This conference should be coordinated through the Monticello BLM Field Office. The Monticello BLM Field Office shall be notified prior to the first sale.

Well Completion Report- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted to the Moab BLM Field Office not later than thirty (30) days after completion of the well or after completion of operations being performed, in accordance with 43 CFR § 3162.4-1. Two copies of all logs, core descriptions, core analyses, well test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. When requested, samples (cuttings and/or samples) will be submitted to the Moab BLM Field Office.

Venting/Flaring of Gas- Gas produced from this well may not be vented/flared beyond an initial, authorized test period of 30 days or 50 MMcf, whichever occurs first, without the prior, written approval

of the BLM. Should gas be vented or flared without approval beyond the authorized test period, the well may be ordered shut-in until the gas can be captured or approval to continue the venting/flaring as uneconomic is granted. In such case, compensation to the lessor shall be required for that portion of the gas that is vented/flared without approval and which is determined to have been avoidably lost.

Produced Water- Produced waste water may be confined to an unlined pit for a period not to exceed 90 days after initial production. During the 90 day period, an application for approval of a permanent disposal method and location, along with the required water analysis, will be submitted to the Moab BLM Field Office for approval pursuant to Onshore Oil and Gas Order No. 7.

Off-Lease Measurement, Storage, Commingling- Prior approval must be obtained from the Moab BLM Field Office for off-lease measurement, off-lease storage and/or commingling (either down-hole or at the surface).

Plugging and Abandonment- If the well is completed as a dry hole, plugging instructions must be obtained from the Moab BLM Field Office prior to initiating plugging operations.

A "Subsequent Report of Abandonment" (Form 3160-5) shall be filed with the Moab BLM Field Office within thirty (30) days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Upon completion of approved plugging, a regulation marker will be erected in accordance with 43 CFR § 3162.6. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the BLM, or the appropriate surface managing agency.

### TABLE 1. NOTIFICATIONS

Notify Jeff Brown of the Monticello BLM Field Office in Monticello, Utah, at (801) 587-2141 for the following:

2 days prior to commencement of dirt work, construction and reclamation;

1 day prior to spudding;

50 feet prior to reaching each casing setting depth;

3 hours prior to testing BOPE

If the person at the above number cannot be reached, notify the Moab BLM Field Office at (801) 259-6111. If unsuccessful, contact one of the people listed below.

Well abandonment operations require 24 hour advance notice and prior approval. In the case of newly drilled dry holes, verbal approval can be obtained by calling the Moab Field Office at (801) 259-6111. If approval is needed after work hours, you may contact the following:

Gary Torres, Petroleum Engineer	Office: (801) 587-2141 Home: (801) 587-2705
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Eric Jones, Petroleum Engineer	Office: (801) 259-2117 Home: (801) 259-2214
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State of Utah  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt  
Governor

Ted Stewart  
Executive Director

James W. Carter  
Division Director

355 West North Temple  
3 Triad Center, Suite 350  
Salt Lake City, Utah 84180-1203  
801-538-5340  
801-359-3940 (Fax)  
801-538-5319 (TDD)

November 22, 1996

Wesgra Corporation  
P.O. Box 310367  
Mexican Hat, Utah 84531

Re: Hat Rock 96-17 Well, 271' FSL, 2020' FWL, SE SW, Sec. 32,  
T. 41 S., R. 19 E., San Juan County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-037-31783.

Sincerely,

R. J. Firth  
Associate Director

lwp

Enclosures

cc: San Juan County Assessor  
Bureau of Land Management, Moab District Office



Operator: Wesgra Corporation  
Well Name & Number: Hat Rock 96-17  
API Number: 43-037-31783  
Lease: UTU-73898  
Location: SE SW Sec. 32 T. 41 S. R. 19 E.

### Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for Permit to Drill.

2. Notification Requirements

Notify the Division within 24 hours following spudding the well or commencing drilling operations. Contact Jimmie Thompson at (801)538-5336.

Notify the Division prior to commencing operations to plug and abandon the well. Contact Frank Matthews at (801)538-5334 or Mike Hebertson at (801)538-5333.

3. Reporting Requirements

All required reports, forms and submittals shall be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.



DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: WESGRA CORP.

Well Name: HAT ROCK 96-17

Api No. 43-037-31783

Section 32 Township 41S Range 19E County SAN JUAN

Drilling Contractor QUALITY

Rig #: 1

SPUDDED:

Date: 11/27/96

Time: 10:00 AM

How: ROTARY

Drilling will commence: \_\_\_\_\_

Reported by: CLINT HOWELL

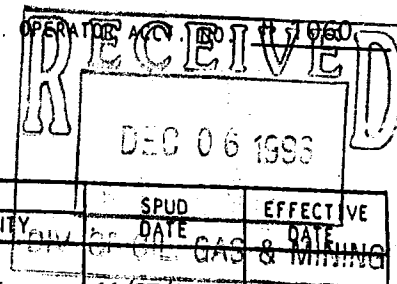
Telephone #: \_\_\_\_\_

Date: 12/3/96 Signed: FRM

OPERATOR WESGRA CORPORATION

ADDRESS P.O. Box 310367

MEXICAN HAT, UTAH 84531



ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION				COUNTY	SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG			
A	99999	12042	43-037-31783	HAT ROCK #96-17	SE/SW	32	41 S	19E	SAN JUAN	11/27/96	
WELL 1 COMMENTS: NEW WELL Entity added 12-6-96. Lee											
WELL 2 COMMENTS:											
WELL 3 COMMENTS:											
WELL 4 COMMENTS:											
WELL 5 COMMENTS:											

ACTION CODES (See instructions on back of form)

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (explain in comments section)

NOTE: Use COMMENT section to explain why each Action Code was selected.

(3/89)

Blair Howell  
Signature  
President  
Title  
12/03/96  
Date  
Phone No. 801 683-2298

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTSUBMIT IN DUPLICATE  
(See other instructions on reverse side)FOR APPROVED  
OMB NO. 1004-0137  
Expires: December 31, 1991

## WELL COMPLETION OR RECOMPLETION REPORT AND LOG \*

1a. TYPE OF WELL: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> DRY <input type="checkbox"/> Other <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. UTU 73898	
b. TYPE OF COMPLETION: NEW WELL <input checked="" type="checkbox"/> WORK OVER <input type="checkbox"/> DEEP-EN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> DIFF. REGR <input type="checkbox"/> Other <input type="checkbox"/>		6. IF INDIAN, ALIOTTEE OR TRIBE NAME	
2. NAME OF OPERATOR Wesgka Corporation		7. UNIT AGREEMENT NAME	
3. ADDRESS AND TELEPHONE NO. P.O. Box 310367 MEXICAN HAT, UT. 84531 801-683-2298		8. FARM OR LEASE NAME, WELL NO. Hat Rock #96-17	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)* At surface 271' F/SL 2020' F/WL At top prod. interval reported below SE-SW Sec. 32 T.41S R.19E At total depth S.L.M.		9. API WELL NO. 43-037-31783	
14. PERMIT NO. 43-037-31783		10. FIELD AND POOL, OR WILDCAT MEXICAN HAT.	
DATE ISSUED 11-22-96		11. SEC. T. R. M. OR BLOCK AND SURVEY Sec 32 T.41S. R.19E.	
15. DATE SPUDDED 11-27-96		12. COUNTY OR PARISH SAN JUAN	
16. DATE T.D. REACHED 12-13-96		13. STATE Utah	
17. DATE COMPL. (Ready to prod.) 12-31-96		14. ELEVATIONS (DF, RKB, RT, GB, ETC.)* 4330' est	
18. TOTAL DEPTH, MD & TVD 900'		19. ELEV. CASINGHEAD AR. 4331'	
20. PLUG, BACK T.D., MD & TVD		21. IF MULTIPLE COMPL. HOW MANY*	
22. INTERVALS DRILLED BY Rotary		23. ROTARY TOOLS CABLE TOOLS	
24. PRODUCING INTERVAL(S) OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)* 845' - 865' Goosenecks		25. WAS DIRECTIONAL SURVEY MADE NO	
26. TYPE ELECTRIC AND OTHER LOGS RUN SAMPLES ONLY		27. WAS WELL CORRED NO	
28. CASING RECORD (Report all strings set in well)			
CASING SIZE GRADE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE
8 5/8"	24 lb/ft.	30"	10 3/4"
5 1/2"	17 lb/ft.	490'	6 1/4"
TOP OF CEMENT, CEMENTING RECORD		AMOUNT PULLED	
3 SACKS		NONE	
90		NONE	
29. LINER RECORD			
SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*
30. TUBING RECORD			
SIZE	DEPTH SET (MD)	PACKER SET (MD)	
2 3/8"	870'	None	
31. PERFORATION RECORD (Interval, size and number) OPEN HOLE			
32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.			
DEPTH INTERVAL (MD)		AMOUNT AND KIND OF MATERIAL USED	
- NONE			
33. PRODUCTION			
DATE FIRST PRODUCTION 1-3-97	PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump) PUMPING		WELL STATUS (Producing or Shut-in) Producing
DATE OF TEST 1-3-97	HOURS TESTED 24	CHOKER SIZE	PROD. N. FROM TEST PERIOD
FLOW, TUBING PRESS.		CASING PRESSURE	CALCULATED 24-HOUR RATE
OIL—BSL.		GAS—MCF.	WATER—BSL.
3 bbl.			
OIL—BSL.		GAS—MCF.	WATER—BSL.
3			
34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)			
35. LIST OF ATTACHMENTS			
36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records			
SIGNED Curtis Palmer		TITLE PRESIDENT	
DATE 1-6-97			

\*(See Instructions and Spaces for Additional Data on Reverse Side)

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

STATE OF UTAH  
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.  
Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such proposals.

1. Type of Well: OIL ☒ GAS ☐ OTHER:

2. Name of Operator: WESGRA CORPORATION

3. Address and Telephone Number: P.O. Box 310367  
MEXICAN HAT, UT. 84531 435-683-2298

4. Location of Well

Footages: 271' F/S/L 2020 F/W/L

QQ, Sec., T., R., M.: SE SW Sec. 32 T. 41 S. R. 19 E. S. 14 M.

5. Lease Designation and Serial Number:

UTU 77065

6. If Indian, Allocated or Tribe Name:

7. Unit Agreement Name:

8. Well Name and Number:

HAT ROCK 96-17

9. API Well Number:

43-037-31783

10. Field and Pool, or Wildcat:

MEXICAN HAT

County: SAN JUAN

State: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

NOTICE OF INTENT  
(Submit in Duplicate)

- |  |   |
|--|---|
| <input type="checkbox"/> Abandon                   | <input type="checkbox"/> New Construction     |
| <input type="checkbox"/> Repair Casing             | <input type="checkbox"/> Pull or Alter Casing |
| <input type="checkbox"/> Change of Plans           | <input type="checkbox"/> Recomplete           |
| <input type="checkbox"/> Convert to Injection      | <input type="checkbox"/> Reperforate          |
| <input type="checkbox"/> Fracture Treat or Acidize | <input type="checkbox"/> Vent or Flare        |
| <input type="checkbox"/> Multiple Completion       | <input type="checkbox"/> Water Shut-Off       |
| <input type="checkbox"/> Other                     | <u>Extend S.O.W. STATUS</u>                   |

Approximate date work will start

SUBSEQUENT REPORT  
(Submit Original Form Only)

- |  |   |
|--|---|
| <input type="checkbox"/> Abandon                   | <input type="checkbox"/> New Construction     |
| <input type="checkbox"/> Repair Casing             | <input type="checkbox"/> Pull or Alter Casing |
| <input type="checkbox"/> Change of Plans           | <input type="checkbox"/> Reperforate          |
| <input type="checkbox"/> Convert to Injection      | <input type="checkbox"/> Vent or Flare        |
| <input type="checkbox"/> Fracture Treat or Acidize | <input type="checkbox"/> Water Shut-Off       |
| <input type="checkbox"/> Other                     |   |

Date of work completion

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form.

\* Must be accompanied by a cement verification report.

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Requesting Extension OF S.O.W. STATUS.

This well will produce some oil Has been tested by Pumping with gasoline motor. However the Price of oil Being so low makes it cost Prohibitive to pump that way.

We Have Been Waiting For U.P&L TO CONSTRUCT A Power line out that way. they said possibly this Year.

There is NO GROUND WATER in the AREA, AND the well is Cased To 490' + Circulated with 90 SACKS Cement

13.

Name & Signature: Clint Howell Clint Howell Title: President

Date: 5-21-99

(This space for State use only)

APPROVED

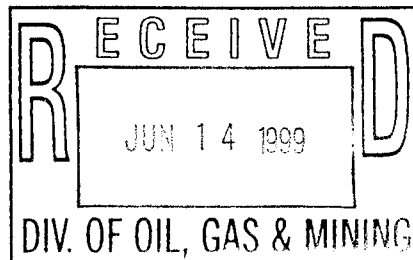
The Utah Division of Oil, Gas and Mining  
Robert J. Krueger, PE, Petroleum Engineer

(See Instructions on Reverse Side)

Date: 6-21-99

COPY SENT TO OPERATOR

Date: 6-22-99  
Initials: CHD



Form 3160-5  
(February 2005)UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

RECEIVED

MOAB FIELD OFFICE

FORM APPROVED  
OMB No. 1004-0137  
Expires: March 31, 2007SUNDRY NOTICES AND REPORTS ON WELLS  
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.*Lease Serial No.  
UTU77065

If Indian, Allottee or Tribe Name

## SUBMIT IN TRIPLICATE - Other instructions on page 2.

## 1. Type of Well

☒ Oil Well☐ Gas Well☐ Other

## 2. Name of Operator

WESGRA CORPORATION

## 3a. Address

P.O. Box 910387 Mexican Hat, UT 84531

## 3b. Phone No. (include area code)

435-883-2263

## 4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

271 FSL 2020 FWL SESEW Sec 32 T41S R19E 9LM

## 7. If Unit of CA/Agreement, Name and/or No.

8. Well Name and No.  
Hat Hook 98-179. API Well No.  
43-037-3178310. Field and Pool or Exploratory Area  
Mexican Hat11. Country or Parish, State  
San Juan Co. Utah

## 12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

## TYPE OF SUBMISSION

## TYPE OF ACTION

☐ Notice of Intent☒ Subsequent Report☐ Final Abandonment Notice☐ Acidize☐ Alter Casing☐ Casing Repair☐ Change Plans☐ Convert to Injection☐ Deepen☐ Fracture Treat☐ New Construction☒ Plug and Abandon☐ Plug Back☐ Production (Start/Resume)☐ Reclamation☐ Recomplete☐ Temporarily Abandon☐ Water Disposal☐ Water Shut-Off☐ Well Integrity☐ Other

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

Filled with cement slurry from TD ( 800' ) to Surface  
120 sacks cement.

Plugged 06/05/2009

Witnessed By Jeff Brown - BLM

## 14. I hereby certify that the foregoing is true and correct.

Name (Printed/Typed)

Clint Howell

Title Manager

Signature

Date 06/22/2009

## THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Assistant Field Manager  
Division of Resources

Date

7/8/09

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

APPROVE w/ FAN cond + reclamation cond: reg 7.1.9

CONDITIONS OF APPROVAL ATTACHED

Subsequent Report of Abandonment  
Wesgra Corporation  
Hat Rock 96-17  
UTU-77065  
Section 32, T41S, R19E  
San Juan County, Utah

#### CONDITIONS OF APPROVAL

The previously provided reclamation requirements are included again for your reference.

The surface reclamation will be conducted as specified in the Thirteen Point Surface Use Plan attached to the approved APD and, with modifications, is described as follows:

1. Any stockpiled topsoil will be evenly distributed over the disturbed area.
2. Prior to reseeding, all disturbed areas will be scarified and left with a rough surface.
3. Seed will be broadcast or drilled at the time that the well is plugged and abandoned. If the seeded species is not successful seed will be reapplied, at BLM direction, between 10/1/09 and 2/28/10. If broadcast, the seeding rate will be doubled and a harrow or some other implement will be dragged over the seeded area to assure seed coverage. The following seed mixture will be used:
  - 2# per acre Galleta grass (Hija)
  - 1 # per acre Sand drop seed (Spcr)
  - 1# per acre Alkali sacaton (Spai)
  - 2 # per acre Indian ricegrass (Orhy)
  - 2 # per acre Shadscale (Atco)
  - 2# per acre Fourwing saltbrush (Atca)
  - 2# per acre Globe Mallow (Spco)
4. Notify Cliff Giffen at the Monticello Field Office at 435-587-1524 two days prior to beginning reclamation work.

Section V. of Onshore Oil and Gas Order No. 1 requires that operators submit three separate Sundry Notices (Form 3160-5) in relation to the plugging and abandonment of any jurisdictional well, i.e., a Notice of Intent to Abandon (NIA) as a precursor to the commencement of actual abandonment operations or as a written confirmation of any orally prescribed abandonment program; a Subsequent Report of Abandonment (SRA) reflecting the actual downhole abandonment operations performed, which is to be submitted within 30 days of completing those operations; and, a notice from the operator that the location is ready for inspection. Section V. also states that "Final abandonment shall not be approved until the surface reclamation work required by the approved drilling permit or approved abandonment notice (NIA) has been completed to the satisfaction of the Moab Field Office.

Accordingly, final approval of an abandoned well has two components:

- 1) Satisfactory completion of the approved downhole plugging plan.
- 2) Satisfactory reclamation of the site.

You will therefore be required to submit a Final Abandonment Notice (Sundry Notice - Form 3160-5) when vegetative reclamation is complete. You will not be released from bond liability on this location until such final abandonment has been approved by the Moab Field Office.